

HOUSE BILL 2075

By Matlock

AN ACT to amend Tennessee Code Annotated, Title 56,
relative to insurance.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 56-7-801,
is amended by deleting the section and substituting instead the following:

(a) Within ninety (90) days after making or writing any contract of fire insurance on any building or structure in this state, the company, its designee or agent, shall cause the building or structure to be inspected.

(b) No company, agent or insurance producer shall knowingly issue, negotiate, continue or renew, or cause the permit to be issued, negotiated, continued or renewed any fire insurance policy upon property or interests in the property within this state of an amount that, with any existing insurance on the property, exceeds the fair value of the property.

SECTION 2. Tennessee Code Annotated, Section 56-7-803, is amended by deleting the section and substituting instead the following:

If the company, its designee or agent, fails to place a reasonable value on any insured property within the ninety-day period provided in § 56-7-801, and that is agreed to by the insured, and a loss occurs, then the value as shown by the policy or application is conclusively presumed to be reasonable, and settlement shall be made on that basis.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.